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Kelly Parkhill
Director for Industry and Analysis
Import Administration, Rm 3713
U.S. Department of Commerce
14th Street and Constitution Avenue, N.W.
Washington, DC 20230

Re: <u>Comments on the Interim Final Rule; Steel Import Monitoring and Analysis System</u>

Dear Mr. Parkhill:

These comments on the interim final rule for the Steel Import Monitoring and Analysis System ("SIMA") (70 Fed. Reg. 12,133 (March 11, 2005)) are submitted on behalf of the PC Strand Producers Coalition and its individual members Sumiden Wire Products Corp., American Spring Wire Corp. and Insteel Wire Products Company, producers of prestressed concrete steel wire strand. Overall, the SIMA system appears to provide valuable near real-time information about imports of certain steel products. As the Department acknowledges, such information is valuable to the domestic steel industry, importers and consumers, and places minimal burden on importers. For this reason, the system should be expanded to cover certain downstream steel products that have been traditionally subject to surges of imports and findings of unfair trade. In particular, the SIMA system should cover PC strand in Harmonized Tariff Schedule of the United States statistical subheadings 7312.10.3010 and 7312.10.3012.

The domestic PC strand industry urges the Department to reconsider its decision to indiscriminately exclude all "downstream" steel products and to include only "basic" mill products in SIMA. The mill products current scheduled for inclusion have a history of sensitivity to injury by unfairly traded imports. PC strand is a steel product that has been subject to a history of unfair trade dating back to 1978. PC strand was also investigated in the section 201 investigation, but was aggregated with other carbon and alloy wire products in a category identified as by the International Trade Commission as "rope." The Commission's negative decision in that case was based on an industry definition that did not represent only PC strand. Shortly thereafter, the industry filed an antidumping duty petition against PC strand from Brazil, India, Korea, Mexico and Thailand and a countervailing duty petition against PC strand from India. The resulting antidumping and countervailing duty orders were published in January 2004.

Because PC strand industry has also been shown to be subject to unfairly traded imports and sensitive to injury from those imports, it is appropriate that this product be included in the SIMA program. Inclusion of PC strand within SIMA is consistent with the goals of the program while adding little additional burden. There is therefore every reason to include PC strand within SIMA and little, if any, reason to exclude it.

¹ <u>See Steel Wire Strand for Prestressed Concrete from Japan</u>, Inv. No. AA1921-188 (Final) USITC 928, (Nov. 1978). The resulting order was continued by <u>Steel Wire Strand for Prestressed Concrete from Japan</u>, Inv. No. AA1921-188 (Review) USITC 3156, (Feb. 1999).

² Steel, Inv. No. TA-201-73, UISTC Pub. 3479 (Dec. 2001).

³ <u>Id.</u>

⁴ See, e.g., Notice of Antidumping Duty Order: Prestressed Concrete Steel Wire Strand from Brazil, 69 Fed. Reg. 4112 (Jan. 28, 2004).

In addition, the PC Strand Producers Coalition supports the comments filed on behalf of the American Iron & Steel Institute, Cold Finished Steel Bar Institute, Committee on Pipe & Tube Imports, Metals Service Center Institute, Specialty Steel Industry of North America, Steel Manufacturers Association, and the United Steelworkers of America. We share their concern that the failure to include down stream products in SIMA is detrimental to all portions of the steel industry. As the Department acknowledges, the SIMA program provides valuable information while placing a minimal burden on importers. Better information leads to more market stability which is good for the downstream producers like PC strand producers, but also for the mills that supply them with basic steel mill products.

We also support comments calling for expanded product detail to the ten-digit HTS level for all statistical reporting under SIMA, and to include reporting by port of entry. The more detail that is reported, the more use the data is to the various groups that will have access to it. If the Department is concerned about reporting greater detail for reasons of importer confidentiality, it should be noted that the Census Bureau already publishes data with port of entry and ten-digit level detail, although on a much delayed basis. Thus, ten-digit reporting and port details should be no more revealing for SIMA than it is for Census reporting. There are also less restrictive means to address this problem, including by only redacting data on a HTS item by HTS item basis, where the inclusion of such data is likely to reveal sensitive information.

For the foregoing reasons, we urge the Department to include PC strand in HTS statistical subheadings 7312.10.3010 and 7312.10.3012 within the expanded and extended SIMA program. Please contact the undersigned with any questions concerning this submission.

Sincerely,

PAUL C. ROSENTHAL

R. ALAN LUBERDA

Counsel to the PC Strand Producers Coalition